

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

IN RE:)	
Nyeoka Seppala)	Bankruptcy No. 17 B 29978
)	
_____)	Judge Donald Cassling
)	
Nyeoka Seppala,)	
)	
Plaintiff)	
v.)	Adv. No.
)	
United States Department of Education,)	
Great Lakes Higher Education Corp., and)	
American Education Services,)	
Defendants)	
)	

COMPLAINT TO DETERMINE DISCHARGEABILITY OF STUDENT LOAN DEBT

NOW COMES Nyeoka Seppala, the Debtor herein, by and through her attorneys, David P. Lloyd, Ltd., complaining of Defendants United States Department of Education, Great Lakes Higher Education Corp., and American Education Services, and in support thereof states as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction over this matter pursuant to 28 USC §1334(b) and (d) in that it is a civil proceeding arising under, arising in, or related to a bankruptcy case under Title 11 of the United States Code.

2. This complaint arises under 11 USC §§523(a)(8).

3. This complaint initiates a core proceeding pursuant to 28 USC §157(b)(2)(I).

4. Venue in this District is proper pursuant to 28 USC §1409(a).

THE PARTIES

5. Plaintiff is the debtor in the underlying bankruptcy case.

6. Defendants are an agency of the federal government, or corporations doing business in the United States and the State of Illinois.

DETERMINATION OF DISCHARGEABILITY--§523(a)(8)

7. The Debtor commenced the case by filing a voluntary Chapter 7 petition on October 16, 2017. The Debtor has not received a discharge as of the date of the filing of this Complaint.

8. The Debtor obtained student loans to finance her education at Central Michigan University, where she was enrolled from 2005 to her graduation in 2010.

9. The present balance on the Debtor's student loans is approximately \$282,000.

10. Defendant United States Department of Education is the holder of some or all of the Debtor's student loans.

11. Defendant Great Lakes Higher Education Corp. is the servicer or holder of some or all of the Debtor's student loans.

12. Defendant American Education Services is the servicer or holder of some or all of the Debtor's student loans.

13. To the extent any student loan owed by the Debtor to any Defendant is not a loan made, insured, or guaranteed by a governmental unit, or made under any program funded by a governmental unit or nonprofit institution, or otherwise a qualified educational loan, such student loan is not excepted from discharge under Section 523(a)(8) of the Bankruptcy Code.

14. Excepting any of the subject student loans from discharge would impose an undue hardship on the Debtor for the following reasons:

(a) The Debtor is employed as a crisis counsel at VHS Westlake Hospital in Berwyn, Illinois, with a net income of less than \$3,000/month, and has no employment prospects for any

more highly-paid position. The Debtor has taken second jobs in the past in order to supplement her income, but is not able, at this time, to work a second job.

(b) The Debtor's monthly expenses are at least \$3,600/month, leaving her no funds to pay any amount toward the student loans.

(c) The Debtor has applied for deferment and forgiveness of some or all of her student loans. The Debtor is currently on deferment on some or all of her student loans, and is on an income-based repayment schedule for other student loans, but has not received approval or disapproval of forgiveness of the loans.

(d) The Debtor has made a good-faith attempt to pay the student loans, but has not been able to make any increased payments because of her income and expense situation.

WHEREFORE Plaintiff Nyeoka Seppala prays that the Court determine that the student loan debt that she owes to the Defendants is not excepted from her discharge under 11 U.S.C. §523(a)(8).

Respectfully submitted,
Nyeoka Seppala

By: /s/ David P. Lloyd
One of her attorneys

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